

Civic Center Task Force Progress Report for November 21, 2005

Submitted by Jan Davis, Task Force Chairman

The Task Force reviewed the goals and action plan from the first meeting. It was agreed that a second public forum would be held in addition to the one already scheduled on January 18.

Tom Tveidt, the Research Director for the Chamber of Commerce, explained the value of an Economic Analysis as a means to assist the decision making process. The Analysis measures spending patterns and expectations. Mr. Tveidt said that Professor Steve Ha of Western Carolina University would prepare the report. The Task Force asked staff to pursue having a basic study done that could be completed near the end of January. The AACPA has data on this topic that it will forward to Mr. Tveidt for his review.

Facility Overview

David Pisha, Civic Center Director, presented an overview of event, revenue and profitability mix for each component of the Asheville Civic Center: the arena, auditorium, exhibit hall, and banquet hall. The arena brings in the majority of the venue's revenues (60%) and profits while the auditorium provides the most event diversity (30% of the revenue). Concerts earn 51% of total revenues and 69% of event-based profits using 10% of event days. The Civic Center operating deficit of \$250,000-350,000 is based on current activity of about 200 event days, excluding sports teams. Trade shows provide nearly 30% of the revenues and mainly happen in the arena, the concourse and the exhibit hall. These shows provide a stable revenue stream year after year. Family shows provide nearly 11% of the Civic Center's revenues with a very small number of use days and probably draw people who don't otherwise come to the Civic Center. Recent professional hockey and basketball teams have not been successful. There are different theories in the community as to why that has happened.

The City does not promote or co-promote events because of the financial investment and risk that accompanies that role. The facility is basically a rental facility; the only event that the Civic Center promotes is the public skating.

Facility Users' Panel

As a part of our action plan, we agreed that the Task Force needed to hear from the current users of the building. A panel of users convened and spoke to the Task Force about a number of issues. The panel consisted of:

Ashley Capps, AC Entertainment
Steve Hageman, Asheville Symphony
John Patterson, Western Carolina Productions
Jack Meyer (via phone) Nederlander Productions
Sean Henry, Palace Sports (early departure)
Ellis Hankins, NC League of Municipality (joined the panel mid-way through the session)

These users of the building bring in approximately 75% of the current revenue of the Civic Center. Ian Vingoe facilitated the panel discussion.

Each panelist was asked to respond briefly to a series of prepared questions. There were additional questions posed by members of the Task Force and the Facilitator.

What events do you produce in general and what events do you do in Asheville?

Ashley Capps of AC Entertainment stated that he produces mostly concerts such as Bob Dylan, Harry Connick, and Emmy Lou Harris. In addition to booking concerts at the Civic Center, he does the booking for national acts at the Orange Peel. Some acts that start at the Orange Peel grow, and when they return to Asheville move into the Thomas Wolfe Auditorium.

John Patterson stated that Western Carolina Productions (WCP) was created in 1974 when the Civic Center opened to develop and promote events in partnership with Chamber of Commerce; primarily consumer shows, such as the boat show, log home show, etc.

Steve Hageman summarized Performing Arts events including the Symphony and Bravo concerts, Lyric Opera, six Masterworks Concerts, Pops Concerts and numerous events in surrounding area facilities.

John Meyer stated that Nederlander puts on the Broadway in Asheville series and they are in their second season currently. He works to bring quality shows that can fit into the Thomas Wolfe Auditorium, as he is limited by that space. They were very encouraged by the sellout of CATS in November.

Sean Henry of Palace Sports and Entertainment said that they own and operate the venues where they are producing events. They own four amphitheaters and 2 arenas, including the Palace at Auburn Hills and the St. Pete Times Forum. They recently acquired the Asheville Tourists Baseball team.

Ellis Hankins (who joined the panel about halfway through the conversation) of the North Carolina League of Municipalities said that the League has an annual conference that is required to rotate around the State. They have 2100 attendees that come to the conference and were last in Asheville in 2001.

Are you producing more or fewer shows in Asheville than in the past?

The panelist generally agreed that the market is pretty consistent with what it was 5 years ago.

What is the critical radius or “draw” of the Asheville Civic Center?

Ashley Capps stated that it depends on the show, sometimes it will be that up to 70% of the attendees come from out of town.

Steve Hageman stated that the radius for Performing Arts events is approximately 60 miles, but mostly draws from Asheville and the immediately surrounding area.

Jack Meyer stated that the radius of draw is generally 50 miles for general Broadway events and up to a 2 hour drive for blockbuster events.

Describe the Physical Drawbacks and Benefits of the Civic Center.

For the concerts and Broadway productions in Thomas Wolfe Auditorium, there was unanimous agreement on several issues:

- Steep access ramp is a very challenging, making loading and unloading very difficult, this actually requires more stagehands to be hired, increasing production costs.
- Rigging is substandard
- Artist access to dressing rooms insufficient
- Insufficient stage size
- Insufficient public restrooms
- No handicapped accessibility to balcony, may eliminate ticket sales (lack of elevators)
- Acoustics are a primary deficiency of the Auditorium

Additional Deficits of the facility:

- Noise bleed between the Auditorium and the Arena has been a problem for the Symphony
- Broadway tours have to reduce production space because of the physical limitations of the facility.
- Various panelists described Event Parking as a significant constraint. Currently the existing 550 car parking structure cannot support 8,000 seats in two venues.
- For trade shows in the Arena, semi trailer access and loading are also very significant problems.
- One panelist felt that parking is too expensive
- For the League of Municipalities, there are several problems: food service areas (kitchens), not enough meeting space and exhibit space and the local hotel package is too small, remote and relies on shuttle buses or private cars causing parking problems.

Positives about the building:

- The “draw” is high relative to local population but hard to explain to promoters. A
- Audience experience is good in the Auditorium but horseshoe layout not optimal. (only one person said this)
- The Asheville market benefits from a large number of college students.
- The existing Arena size (6,000 seats) meets the current arena concert market.
- Staff of the Civic Center were mentioned several times as very helpful and hardworking
- Downtown Asheville is a positive, lively atmosphere.

What makes Asheville a good market?

Generally the panelists agreed that Asheville was a diverse market, with a sophisticated and educated audience, benefiting from strong per capita income and a vibrant downtown environment.

What other facility elsewhere would demonstrate industry trends and your ideal facility?

Ashley Capps reviewed the issues of “niche-market” acts using smaller venues as the current concert trend. It is generally agreed that the future excessive touring costs are redirecting many acts toward major markets only. Many acts are supported by as many as 200 people and 10 buses. Mr. Capps described successful acts as those that present a great experience for the

audience and pointed to the Fox Theater in Atlanta and the Ryman Auditorium in Nashville as examples.

John Patterson stated multi-use facilities are often inadequate to most constituents. His requirements are a 70,000 square foot flat floor expo hall plus support space. Mr. Patterson pointed out an anomaly that event parking now costs \$7 but consumer show admission is only \$6.

Steve Hageman defined an ideal facility as multipurpose venue serving the requirement of symphony, opera and ballet, with up to 2,000 seats, perhaps a bit larger (2200, 2500) if the smaller audiences can be accommodated appropriately.

Ellis Hankins recommended the Hickory Metro CC an example of a facility that meets his constituent's requirements, although there are problems with acoustics in the building.

Jack Meyer identified North Charleston Performing Arts Center as an example of a facility to meet the needs of Broadway Productions including 2,500 seats.

Where is the right location for your activity?

Most of the panelists agreed that downtown was the best location for their events due to the vibrancy of downtown Asheville. The Symphony would like to be in a different part of downtown than the arena. Attendees of the tradeshow often request a location near the airport. The League of Municipalities is more favorable to downtown, but is not at all adverse to a more suburban location if the facility is good.

Overall Summary

At the end of the evening there were several themes that emerged quite clearly.

- The Asheville market is diverse and supports a wide variety of events. Events are coming to the Civic Center in spite of the difficulties of the facility, but this cannot be expected to continue on indefinitely.
- Loading problems are consistent for all events. Thomas Wolfe has problems with acoustics, dressing room access, unable to fit larger sets, and general accessibility.
- Finding a favorable solution for all groups with the Civic Center building as it stands today is unlikely and that it may be that 2 facilities are needed (including the existing Civic Center as one) to meet the needs of the events coming to Asheville.
- The overall experience of going to an event is very important, and can add to the draw of a facility.
- The facility is not ADA compliant